(d) if so, the reasons therefor; and

(e) to what extent it would affect exports from India?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI CHENNAMANENI VIDYASAGAR RAO): (a) to (c) Yes, Sir. The Public Health Security and Bioterrorism Preparedness and Response Act of 2002 (Bio Terrorism Act) of the United States requires domestic and foreign facilities that manufacture, process, pack or hold food for human or animal consumption in the United States to register with their Food and Drug Administration (FDA) by December 12, 2003. For facilities outside USA, the registration must include the name of the US Agent for that facility.

(d) The new US legislation has been enacted with the intention to make the FDA respond quickly to a threatened or actual terrorism attack on the US food supply and also to determine the location and cost of a potential threat.

(e) The law is applicable to all countries exporting to US and is, therefore, non-discriminatory. Though the full impact of the new regulation would be known only after it has been implemented in December, 2003, it is not expected to cause any disturbance in bilateral trade.

Exports to China

2714. SHRI PARMESHWAR KUMAR AGARWALLA: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether it is a fact that during the last financial year exports to China have significantly improved;

(b) if so, the details thereof alongwith the ratio of imports to exports; and

(c) which sectors are likely to show better performance?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI CHENNAMANENI VIDYASAGAR RAO): (a) Yes, Sir.

(b) The level of trade between the two countries during the last two years is given below :–

(US $ Million)

	2001-02	2002-03 (P)
Export	951.95	1961.11
%age growth	+14.87	+106.01
Import	2036.39	2782.50
%age growth	+36.44	+36.64
Ratio of Imports to Exports	2.14	1.42

(Source : DGCI&S)

(P)-Provisional

(c) Sectors which are likely to show better performance in the years to come include ores, cotton yarn fabrics, plastics, organic chemicals, stone (granite, marbles, etc.) precious stones, fish and seafood, iron and steel, hides and skins inorganic chemicals, etc.

DEPB Scheme

2715. SHRI DARA SINGH CHAUHAN: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) the number of cases where DGFT has treated bank guarantees on par with letter of credit for extending benefits under the DEPB Scheme during the last three years;

(b) the number of cases alongwith the respective reasons where the request for benefits under DEPB were turned down on the grounds that bank guarantees cannot be treated at par with letter of credit;

(c) whether DGFT is aware that bank guarantees are the acceptable form for trade internationally in several countries; and

(d) the reasons for DGFT not keeping up with the international trade practices?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI CHENNAMANENI VIDYASAGAR RAO): (a) and (b) Nil.

(c) and (d) The issue of accepting bank guarantee to permit grant of transferable DEPB was examined by DGFT in consultation with RBI. RBI